

**IN THE UNITED STATES BANKRUPTCY COURT FOR
THE EASTERN DISTRICT OF PENNSYLVANIA**

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|---------------------|---|---|
| In re: | : | Chapter 13 |
| | : | |
| Katharine Arias and | : | Case No. 16-13984 (AMC) |
| Rey A. Arias, | : | |
| | : | Hearing Date: February 7, 2017 at 11:00 a.m. |
| Debtors. | : | Objections Due: January 30, 2017 |
| | : | |

**STIPULATION OF POLICE AND FIRE FEDERAL CREDIT UNION AND
KATHARINE AND REY ARIAS RESOLVING MOTION
FOR RELIEF FROM THE AUTOMATIC STAY TO EXERCISE
RIGHTS TO OBTAIN POSSESSION OF VEHICLE OR,
ALTERNATIVELY, FOR ADEQUATE PROTECTION**

WHEREAS, on June 3, 2016 (the “Petition Date”), Katharine Arias and Rey A. Arias (the “Debtors”) filed a Petition under Chapter 13 of the Bankruptcy Code in the United States Bankruptcy Court for the Eastern District of Pennsylvania;

WHEREAS, prior to the Petition Date, the Debtor financed the purchase a 2007 Honda Accord (the “Vehicle”), with financing from the Police and Fire Federal Credit Union (“PFFCU”);

WHEREAS, PFFCU has requested adequate protection pursuant to 11 U.S.C. §361(1);

WHEREAS, to avoid the costs of litigation the Parties have agreed to resolve the issues between them.

NOW THEREFORE, each in consideration of the promises of the other and intending to be legally bound, subject to the approval of the Bankruptcy Court, it is hereby agreed as follows:

1. The Debtors’ proposed Chapter 13 plan provides that the Debtors will pay the Financing to PFFCU through their plan.
2. Confirmation of the Debtors’ proposed Chapter 13 plan has been adjourned several times.

3. Due to the repeated adjournments of the confirmation hearing in this case, the Debtors are presently in arrears post-petition, in the total amount of \$1,536.01 to PFFCU, representing seven months of unremitted payments, each in the amount of \$219.43.

4. The Vehicle is depreciating in value and, without receiving monthly payments, PFFCU's interests in the Vehicle are not adequately protected.

5. Since the Petition Date, the Debtors have been making monthly payments to the Chapter 13 trustee in anticipation of confirming a Chapter 13 plan.

6. To protect PFFCU's interests in the Vehicle pending confirmation of the Debtors' proposed Chapter 13 plan, the parties agreed that, upon entry of this Stipulated Order, the Chapter 13 Trustee shall release to PFFCU a total of \$1,536.01 from the funds received from the Debtors to date as adequate protection of PFFCU's interests in the Vehicle, which amounts shall be applied to reduce the balance of the Financing owed by the Debtors. Thereafter, until confirmation of a Chapter 13 plan, the Debtors shall make regular pre-confirmation payments in the amount of \$219.43 per month to PFFCU as adequate protection of PFFCU's interests in the Vehicle and which shall be applied to reduce the balance of the Financing owed by the Debtors. Upon confirmation of a Chapter 13 plan, PFFCU shall file an amended proof of claim reflecting the balance due as of the date on which the Chapter 13 plan was confirmed and payments shall be made pursuant to the terms of such plan to PFFCU on account of the balance of the Financing owed by the Debtors until such financing is paid in full.

7. Notwithstanding the foregoing, nothing herein shall constitute an admission by PFFCU that it is adequately protected and PFFCU reserves all rights with respect to the issue of adequate protection.

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CONSENTED TO BY:

DILWORTH PAXSON LLP

DATED: February 1, 2017

/s/ Anne M. Aaronson
Anne M. Aaronson, Esquire
Attorney for PFFCU

CONSENTED TO BY:

LAW OFFICES OF DAVID M. OFFEN

DATED: February 1, 2017

/s/ David M. Offen
David M. Offen, Esquire
Attorney for Debtors

CONSENTED TO BY:

DATED: February 1, 2017

CHAPTER 13 TRUSTEE

/s/ Jack Miller
William C. Miller
Chapter 13 Trustee
1234 Market St., Suite 1813
Philadelphia, PA 19107

SO ORDERED:

ENTERED ON: _____

The Honorable Ashely M. Chan
United States Bankruptcy Judge